

HOUSE BILL 1664

By Swann

AN ACT to amend Tennessee Code Annotated, Title 65,
Chapter 25 and Title 66, Chapter 29, Part 1,
relative to electric cooperatives.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 65-25-122(a), is amended by deleting the language "Nothing in this chapter contained shall be construed to exempt" and substituting instead the language "Nothing in this chapter shall exempt", and is further amended by deleting the language "; provided, that all facilities and plants constructed for such primary purpose shall be exempt from ad valorem property taxes for a period of four (4) years from and after the date of such construction".

SECTION 2. Tennessee Code Annotated, Title 65, Chapter 25, Part 1, is amended by adding the following language as a new section:

65-25-136.

(a) In lieu of paying or delivering to the state, as required by § 66-29-115, the tangible or intangible property specified in a cooperative's report of abandoned property, a cooperative shall maintain possession of the abandoned property throughout the period of notice and publication specified in § 69-29-114.

(b) After a period of eighteen (18) months following delivery of the cooperative's report of abandoned property, the cooperative may distribute, in its service area, the unclaimed abandoned property for:

- (1) Bona fide charitable purposes;
- (2) Economic development purposes;
- (3) Low-income energy assistance; or

(4) Educational purposes.

(c) The right of an owner to abandoned property held by a cooperative shall be extinguished when the property is distributed in accordance with this section.

SECTION 3. Tennessee Code Annotated, Section 66-29-115, is amended by adding the following language as a new subsection:

(h) Notwithstanding this section, a cooperative subject to the Rural Electric and Community Services Cooperative Act, compiled in title 65, chapter 25, part 1, shall maintain possession of the abandoned property in the cooperative's report of abandoned property in accordance with § 65-25-136.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to tax years beginning on or after January 1, 2016.